

# RESOLUTION



<b>RESOLUTION NUMBER:</b>	<b>13-10</b>
<b>SUBJECT:</b>	<b>Authorizing Changes to Employer-Paid Health Premiums, Salaries, and Human Resources Policies and Procedures</b>

**WHEREAS**, SRTA has established an ad-hoc Labor Subcommittee (subcommittee) of the board of directors to engage in informal, good faith employee/employer relations which, if successful, is preferred to a more costly and rigid organized labor approach; and

**WHEREAS**, Section 204 of SRTA's Human Resources Policies and Procedures seek to provide competitive pay in relation to the job market, where agency circumstances allow; and

**WHEREAS**, Recruiting and maintaining quality staff is important in meeting agency goals, and maximizing state and federal funds that come to the region; and

**WHEREAS**, The subcommittee examined compensation among comparable agencies which, although eliminating the highest paying agencies, reasonably reflects SRTA staffing and the SRTA areas cost of living; and

**WHEREAS**, SRTA compensation is the lowest among the 8 transportation planning agencies in California that have a similar cost of living and staffing levels. SRTA is also the lowest among the 15 other transportation planning agencies that have more staff or are located in higher cost of living areas; and

**WHEREAS**, SRTA compensation is not competitive locally; the city of Redding provides, on average, 50% more compensation than SRTA for the same planning classifications; and

**WHEREAS**, Non-competitive SRTA compensation has led to significant problems with recruitment, retention, productivity and vacancies within the past 12 months resulting in: (1) the loss of trained staff; (2) training needs and reduced productivity when hiring under-qualified staff; (3) unsuccessful recruitments; and (4) performance discipline issues.

**WHEREAS**, SRTA retention and recruitment issues have resulted in added agency cost that approach or exceed the incremental cost to provide competitive compensation; and

**WHEREAS**, Diminished staff experience, knowledge and skill, along with unfilled vacancies in the past 12 months will interfere with SRTA's ability to effectively compete for major capital grants, such as the \$51 million in competitive grants SRTA received over the past five years for widening and interchange projects in the I-5 corridor; and

**WHEREAS**, SRTA consistently operates under budget and enjoys stable gas tax revenues; growing reserves; zero debt; and little to no unfunded liability; and

**WHEREAS**, Through several cost saving measures this year, SRTA has experienced a \$97,659 savings in total salary and benefits (down from \$761,659 in the current fiscal year to \$664,000 next fiscal year); and

**WHEREAS**, SRTA operating revenues are based on direct state and federal allocations that can only be used for transportation planning activities. The use of surplus funds to offer competitive compensation will not negatively impact other agencies or public services; and

**WHEREAS**, SRTA could safely offer competitive compensation while still maintaining long-term and prudent reserves; and

**WHEREAS**, The subcommittee has considered and recommends a comprehensive and balanced compensation package that provides more attractive and competitive salaries over time, while also controlling employer health care costs and setting high performance expectations through merit-based pay; and

**WHEREAS**, Competitive compensation will help stabilize SRTA staff and attract more experienced and qualified new hires. Productive staff strengthens the region's ability to maintain the flow of millions of dollars in state and federal funds annually, while strategically leveraging major capital grants for new construction projects.

**NOW, THEREFORE, BE IT RESOLVED** that the Shasta Regional Transportation Agency:

1. Modifies Section 301.2 of the SRTA Human Resources Policies and Procedures to require that employees pay 15% of the employee-only PERSChoice medical premium to be implemented in 5% increments annually over three years beginning July 1 in FY 2013/14;
2. Authorizes salary increases for non-management staff effective July 1 of each fiscal year as follows: 5% in FY 2013/14; 5% in FY 2014/15; and 5% in FY 2015/16;
3. Approves a 5% longevity salary increase for employees with over 10 years of full-time cumulative service to the agency; and
4. Directs the executive director to prepare revisions to the SRTA Human Resources Policies and Procedures (for consideration in October), adding provisions for incentive pay ranging from 0% to 5% awarded to high-performing employees, as determined each year by the executive director as part of the employee evaluation process.

**PASSED AND ADOPTED** this 25th day of June, 2013, by the Shasta Regional Transportation Agency.



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**Greg Watkins, Chair**  
Shasta Regional Transportation Agency